SBI bid to take over companies

2972. PROF. SAURIN BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Bank of India, Kanpur has been holding shares in Cawnpor& Sugar Works Limited, Kanpur and Champaran Sugar Company Limited, Kanpur;

(b) if so, whether in a bid to take-over the management of both the companies the SBI has initiated action jointly with the British India Corporation Limited, Kanpur;

(c) whether it is fact that Government have received a number of representations from important persons including MPs in the past four months in this regard;

(d) whether the SBI has violated the policy decision of Government regarding take-over;

(e) if so, what are the details thereof; and

(f) what action has been taken against SBI in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) State Bank of India (SBI) has reported that it does not directly hold any shares in Cawnpore Sugar Works Limited, Kanpur and in Champarun Sugar Company Limited, Kanpur. However, British India Corporation Ltd. (BIC), Kanpur which enjoys substantial credit factilities from SBI and also has a controlling interest in the above two sugar companies have pledged a portion of their share holding and have transferred the same to SBI as collateral security against their credit facilities.

(b) No, Sir. SBI has however reported that it joined BIC in requisitioning an Extraordinary General Meeting of the above sugar companies in accordance with the provisions of the Companies Act.

(c) Yes, Sir.

(d) No, Sir.

(e) and (f) Do not arise.

2973. *[Transferred to the* 26th *March,* 1992]

Gold seizure at Jakhau Port, Gujarat

2974. SHRI PASUMPON THA. KIRUTTINAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Coast Guard had seized gold worth Rs. 3.5 crores at Jakhan Port in Kutch District of Gujarat;

(b) if so, what are the details thereof;

(c) whether any arrest has been made in this connection; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d) On 14/02/1992, the officers of Customs of Bhuj Division who were on sea patrol, sighted a buoy off Jakhau Port of Gujarat. A gunny bag was attached to this buoy. Examination of the Gunny bag resulted in the recovery of 650 foreign marked gold biscuits weighing 75 kgs. approximately and valued at about Rs. 3.58 crores. The gold was seized. Preliminary investigations have not revealed the persons involved and, therefore, no arrest has been made.

Karnataka's proposal to enhance interest on National Savings

2975. SHRI H. HANUMANTHAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Karnataka Government have approached the Central Government for enhancement of interest on National Savings;

(b) if so, what are the details thereof;

(c) whether the proposal has been examined and a decision taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes, Sir.

(b) The Government of Karnataka had sought for increase in the rates of interest on small savings instruments consequent on the increase in rates of interest on banks deposits.

(c) Last year the rates of interest were

revised upwards in respect of Post Office Time Deposit (1 year, 2 year, 3 year and 5 year), Post Office Recurring Deposits (5 year) and Kisan Vikas Patra. Further changes in interest rates have been recommended by a high level Committee whose report is under examination.

Constitution of National Debt Commission

2976. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration for constituting a National Debt Commission;

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) No, Sir. (b) Does not arise.

2977. *[Transferred to the* 26th *March,* 1992]

Irregularities in imports and filling up of vacancies in C.R.C.L.

2978. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that a number of cases of importing costly materials by pasting the label of cheap material on the goods, by the Central Revenues Control Laboratories have been reported;

(b) if so, what steps Government propose to take in this regard;

(c) whether Government are considering to fill-up the vacant posts in groups A' and 'B' in this laboratory without delay if so, the details thereof; and

(d) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes Sir. Central Revenues Control Laboratories regularly draw samples from imported consignments for examination and testing. A number of cases are reported by the laboratories of difference in the description of the goods declared by the importer and actual findings obtained on analysis.

(b) Whenever samples are drawn for test, a bond is also taken from the importer, requiring him to abide by the test report. Depending on the test results appropriate action under the relevant provisions of the Customs Act, 1962 is taken for classification of the goods. Cases are adjudicated by the competent authority for misdeclaration and fines and penalties are imposed wherever necessary.

(c) and (d) As on 31st January, 1992, 22 posts in Group 'A' and 8 posts in Group 'B' level are lying vacant in the Central Revenues Control Laboratory. Steps for filling up the vacant posts are already under way.

Permission to foreign insurance companies to operate in India

2979. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration to permit foreign insurance companies to operate in India;

(b) if so, what are the details thereof; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c) No proposal is under consideration at present to permit foreign insurance companies to operate in India since as per the provisions of the Life Insurance Corporation Act, 1956 and the General Insurance Business (Nationalisation) Act, 1972, carrying on the life insurance business and the general insurance business in the country is the exclusive privilege of the Life Insurance Corporation of India, and the General Insurance Corporation of India (including its four subsidiaries), respectively.